

Housing Pathways

Fact Sheet

May 2012

Rentstart Bond Loan

Housing NSW operates Rentstart to provide financial assistance for eligible clients to help them set up or maintain a tenancy in the private rental market.

Under Rentstart, Housing NSW may be able to assist you with a loan of up to 75% of your rental bond to establish a tenancy in the private market.

The loan is interest free and repayable to Housing NSW. Any payments you make can be returned to you at the end of the tenancy if there is no claim made by the landlord or real estate agent.

Am I eligible for a Bond Loan?

You are eligible for a Rentstart Bond Loan if:

- you are eligible for social housing
- you have less than \$3000 in cash assets
- you are able to sustain a tenancy in the private rental market
- rent for the property you wish to rent is not more than 50% of your household's total gross weekly income. For example, if your household's total gross weekly income is \$500, to be eligible for a Rentstart Bond Loan, the weekly rent must be \$250 or less.

How do I apply for a Rentstart Bond Loan?

There are two ways to apply for a Rentstart Bond Loan.

You can apply for all types of housing assistance, including help to set up a tenancy in the private rental market, using an *Application for Housing Assistance* form. We will assess your application and suggest suitable product options that match your housing need.

The second way is to apply for a Rentstart Bond Loan directly. To do

this you will need to complete an *Application for Rentstart Bond Loan* form.

You can find both forms at the Housing Pathways website at www.housingpathways.nsw.gov.au or at your local Housing NSW or participating community housing provider office.

If you are applying for a Rentstart Bond Loan directly, you can deliver the form in person or fax the form to Housing NSW on 1300 722 404 or scan and email a signed copy to rentstart@facs.nsw.gov.au.

Make sure you complete all relevant sections of the application and provide us with the necessary documents, otherwise we will not be able to process your application.

You will need to understand the terms and conditions of the Bond Loan, which are available as Part E of the application form.

How is the bond paid?

Housing NSW will send your landlord or real estate agent a completed Rental Bond Lodgement form, which they must sign and send to the Rental Bond Board. When this is done, Housing NSW's contribution will be electronically transferred to the Rental Bond Board.

Housing NSW will be listed as having a stake in the bond. While Housing NSW has this stake, you will not be able to transfer the bond between tenancies or into another person's name.

How much are my loan payments likely to be?

Your payments will be fortnightly and based on a 12 or 18 month payment plan. In exceptional circumstances a 36 month payment plan may be offered. Your payment plan will be based on how much of your income will be spent on rent.

1300 468 746

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For example if your income is \$650 per week and the rent on your property is \$300 per week, a Rentstart Bond Loan of \$900 would require payments of \$25 per fortnight (or \$13 per week) for 18 months.

If you receive a Private Rental Subsidy, your Bond Loan payments will be calculated based on how much of your income will be spent on rent after the subsidy is applied. For more information about Private Rental Subsidies, visit the Housing Pathways website at www.housingpathways.nsw.gov.au.

How do I make my payments?

If you receive an income from Centrelink, we will ask you to make payments using the Bond Loan Deduction Scheme. This scheme allows you to have your payments automatically deducted from your pension or allowance.

If Centrelink is not your main source of income, you can make payments using BPAY, internet banking or in person at Australia Post.

For more information about payment options, visit the Housing NSW website at www.housing.nsw.gov.au and click on the Payment Options button or download the fact sheet, *Payment options for clients*.

Housing Pathways

Rentstart Bond Loan

What if I can't make my payments?

If you are unable to make a payment, you should contact Housing NSW on 1300 468 746 to discuss your options. You may be eligible for a payment variation if there is a change in your circumstances, such as:

- rent increase
- change in household income
- medical costs/expenses
- unexpectedly high living expenses such as high electricity bills or child care expenses.

Can I get my money back when my tenancy ends?

If you repay the loan in full before the end of your tenancy, you can apply to NSW Fair Trading to claim your bond back from the Rental Bond Board at the end of your tenancy.

If your tenancy ends before the loan is repaid in full, Housing NSW will recover the bond from the Rental Bond Board and will return to you any amount you have paid off your loan less any landlord or real estate agent claim.

If there is a claim made against the bond that you do not agree with, you can challenge this claim regardless of whether the loan has been repaid in full. For more information about how to do this, contact NSW Fair Trading.

What if I have already moved in?

If you have already moved in to a property you are not eligible for a Rentstart Bond Loan.

What are the Bond Loan terms and conditions?

This is the legal contract with Housing NSW that you agree to when you receive a Bond Loan. It is important you understand your rights, responsibilities and obligations under

the Rentstart Bond Loan Agreement. If you need further assistance to understand the terms and conditions, you should seek independent advice. Housing NSW can provide you with details of a legal service if needed.

What if I don't agree to a Bond Loan?

It is up to you to decide if you want a Rentstart Bond Loan.

Housing NSW is not able to help you pay the bond for your tenancy if you do not want to agree to the terms and conditions of a Rentstart Bond Loan.

What if I change my mind after I have been approved for the loan?

If you change your mind after accepting a Rentstart Bond Loan, you must first contact your landlord or real estate agent to organise an alternative payment method for the bond. Your landlord or real estate agent will need to return the Bond Lodgement form to Housing NSW.

You must also phone Housing NSW on 1300 468 746 to cancel the loan.

If the bond has already been lodged with the Rental Bond Board, you will need to repay the loan.

Can I apply for a Bond Loan if I have an outstanding Rentstart Bond Loan debt?

Housing NSW will allow you to have up to two Bond Loan debts at any time. If you need a second Bond Loan within a 12 month period, Housing NSW will only provide assistance if you are up-to-date on your current Bond Loan payments. If approved for a second bond loan, you must continue to meet your payment obligations on your first loan.

What if I'm moving into a shared tenancy?

If you are moving into a shared household, Housing NSW may be able to help you with your share of a rental bond.

When more than one household member is approved for this assistance, one person must agree to have the Bond Loan Agreement in their name. This person is legally responsible to Housing NSW for making payments on the bond loan and is responsible for any arrears payments. If there is a refund at the end of the tenancy, Housing NSW will pay it to this person.

What if I disagree with a decision made by Housing NSW?

If you believe we made the wrong decision, you should first discuss your concerns with a client service officer by calling 1300 468 746. You can also ask to have the decision reviewed. To do this, fill in the *Review of Decisions* form that is available from our website at www.housing.nsw.gov.au or at your local Housing NSW local office.

Are all your questions answered?

If all your questions have not been answered in this fact sheet:

- contact your local Housing NSW office or a community housing provider participating in Housing Pathways
- phone 1300 HOUSING (1300 468 746)
- go to the Housing Pathways website www.housingpathways.nsw.gov.au

A Rentstart Bond Loan is a legal contract. Housing NSW recommends that you get independent advice about the terms and conditions of the loan before agreeing to a Rentstart Bond Loan.

It is illegal for an officer of Housing NSW or a community housing provider to ask for money or favours or other benefits of any kind in exchange for helping you with your housing needs.

It is also illegal for you or anyone else to offer money or favours or other benefits of any kind to anyone who works for Housing NSW or a community housing provider in exchange for helping you. If you have any information regarding this, please contact Business Assurance on 1300 HOUSING (1300 468 746).

Translation service

Arabic	خدمة الترجمة الخطية والشفوية المجانية اتصل على الرقم 131 450
Chinese	免費的翻譯傳譯服務 致電 131 450
Russian	Служба бесплатного письменного и устного перевода Позвоните по номеру 131 450
Spanish	Servicio Gratuito de Traducción e Interpretación Lláme al 131 450
Vietnamese	Dịch vụ Phiên dịch và Thông dịch Miễn phí Điện thoại 131 450